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1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK
3 -----x

4 UNITED STATES OF AMERICA,

5 v.

23 Cr. 110 (MKV)

6 BORIS AMINOV,

7 Sentence

8 Defendant.
9 -----x

10
11 New York, N.Y.
12 April 17, 2024
13 2:00 p.m.

14 Before:

15 HON. MARY KAY VYSKOCIL,

16 U.S. District Judge

17 APPEARANCES

18 DAMIAN WILLIAMS

19 United States Attorney for the
20 Southern District of New York

21 BY: JEFFREY W. COYLE

22 Assistant United States Attorney

23 ABELL ESKEW LANDAU, LLP

24 Attorneys for Defendant

25 BY: DAVID M. ESKEW

JAMES KOUSOUROS

Attorney for Defendant

Also Present:

Nelly Alishaev, Interpreter (Russian)
FBI Special Agent Marshall Scarbro

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1 (Case called)

2 THE COURT: Please be seated everyone.

3 THE DEPUTY CLERK: Counsel, starting with the
4 government, please state your name for the record.

5 MR. COYLE: Good afternoon, your Honor.

6 Jeff Coyle for the government.

7 I'm joined at counsel table by Special Agent Marshall
8 Scarbro from the FBI.

9 THE COURT: All right. Good afternoon, Mr. Coyle.

10 And good afternoon, Special Agent Scarbro.

11 MR. ESKEW: Good afternoon, your Honor.

12 David Eskew, Abell Eskew Landau, on behalf of the
13 defendant, Boris Aminov, who is seated to my left.14 THE COURT: All right. Good afternoon to you,
15 Mr. Eskew.

16 And good afternoon to you, Mr. Aminov.

17 MR. KOUSOUROS: And, your Honor, James Kousouros also
18 counsel on behalf of Boris Aminov.

19 Good afternoon.

20 THE COURT: Good afternoon to you, sir. I didn't mean
21 to skip over you.

22 MR. KOUSOUROS: That's okay. I'm hiding.

23 THE COURT: Behind the screen, you are.

24 All right. And good afternoon to our court reporter
25 as well. Thank you.

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1 So good afternoon, everyone.

2 I am Judge Vyskocil. I've been presiding over this
3 case and we're here this afternoon for the purpose of
4 sentencing Mr. Aminov.

5 So let me just begin, Mr. Aminov, I want to confirm
6 you do speak and understand English clearly and do not need the
7 services of an interpreter?

8 THE DEFENDANT: Yes, I do.

9 THE COURT: You do?

10 THE DEFENDANT: I speak English as well.

11 THE COURT: And you do not need an interpreter?
12 Because I'm recalling correctly at your plea, we had somebody
13 on standby.

14 We do? I'm sorry. I didn't see you there, behind my
15 screen.

16 THE DEFENDANT: Thank you.

17 THE COURT: All right. You're welcome.

18 And let me ask the government, are there any
19 individual victims entitled to notice and has notice been
20 given?

21 MR. COYLE: Notice has been made to victims, your
22 Honor.

23 THE COURT: All right. Thank you.

24 So by way of background on October 26th of 2023,
25 Mr. Aminov appeared before me for arraignment. At that time,

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1 he pled not guilty to the counts in the S1 superseding
2 indictment that contained charges against him. Those were
3 Counts One, Three, and Five of the superseding indictment.

4 On December 11th of last year he withdrew his plea
5 of not guilty and he entered a plea of guilty pursuant to an
6 agreement with the government to Count One only of that S1
7 superseding indictment which charged him with conspiracy to
8 commit wire fraud in violation of Title 18, United States Code,
9 Section 1349.

10 Since that date the probation office has completed its
11 investigation and all of the parties have filed their
12 sentencing submissions with the Court.

13 So let me begin by noting what I have before me that
14 is part of the record that I considered in connection with
15 today's sentencing: I have the final presentence report filed
16 by the probation office on March 1, 2024, that's at
17 ECF No. 193. Now, I would note the probation office made a
18 number of revisions to that PSR at the request of -- both sides
19 made requests for revisions.

20 Excuse me one second.

21 It's my understanding that originally the defense had
22 an objection which it submitted to the probation office in a
23 letter dated February 16th of 2024. That's noted on page 22
24 of the PSR, and it's my understanding that probation did make
25 revisions in connection with the defense's objection. Is that

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1 accurate, Counsel?

2 MR. ESKEW: Yes, your Honor.

3 THE COURT: So there are no outstanding objections to
4 the PSR?

5 MR. ESKEW: There are no outstanding objections to the
6 PSR, your Honor.

7 THE COURT: All right. And thank you.

8 And the government has no objections, correct?

9 MR. COYLE: No, your Honor.

10 THE COURT: All right. And I have as well the
11 defendant's sentencing submission which was filed on
12 April 3rd. That's at ECF No. 205. That contained or
13 attached a number of exhibits, certain portions of which have
14 properly been redacted. And Exhibits 24 and 25 are filed under
15 seal and will be maintained by the Court that way. The
16 attachments include 25 letters of support. There are also
17 excerpts from the transcript of the plea hearing which, of
18 course, is on the docket, so I didn't need those attached as
19 exhibits, and then there are certain health records of
20 Mr. Aminov and, those would be the ones that are redacted
21 and/or filed under seal. And as I say, they will be maintained
22 that day. Finally, I have the government's sentencing
23 submission filed on April 10th of 2024. That's at
24 ECF No. 209.

25 So let me just pause and confirm that that was the

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1 entirety of the record before the Court? Mr. Coyle?

2 MR. COYLE: That's is correct, your Honor.

3 I did just want to clarify one point in the lead-up to
4 the things that were considered: Count One of the indictment
5 charged Mr. Aminov with conspiracy to commit both wire fraud
6 and healthcare fraud in violation of 34 -- 13 -- 18, U.S.C.,
7 1349 and he pleaded guilty to the healthcare fraud conspiracy
8 object, not the wire fraud conspiracy.

9 THE COURT: That is consistent with my recollection.

10 MR. COYLE: Thank you, your Honor.

11 THE COURT: Agreed, Counsel?

12 MR. ESKEW: Yes, Judge.

13 THE COURT: All right. Thank you.

14 You are right and I appreciate the clarification for
15 the record.

16 All right. And you confirm that is the entirety of
17 what's before me?

18 MR. COYLE: Yes, your Honor.

19 THE COURT: All right. Mr. Eskew?

20 MR. ESKEW: Yes, your Honor.

21 THE COURT: All right. So then let me just ask you,
22 Mr. Eskew, that you have had a full opportunity to read and
23 review the PSR to talk about it with Mr. Aminov and to lodge
24 any objections that you or he believe are appropriate?

25 MR. ESKEW: Yes, Judge, we've had that opportunity.

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1 THE COURT: All right. Mr. Aminov, have you reviewed
2 the PSR with your counsel and had an opportunity to make any
3 comments or ask him to lodge any objections that you believe
4 are in order?

5 THE DEFENDANT: Yes, I did, your Honor.

6 THE COURT: Thank you.

7 And has the government reviewed the PSR and tendered
8 any objections it thought needed to be made?

9 MR. COYLE: It has, your Honor.

10 THE COURT: All right. A few questions for the
11 parties: First, with respect to forfeiture, Mr. Aminov did
12 admit in his plea agreement with the government to the
13 forfeiture allegation with respect to Count One of the
14 indictment and he agreed to forfeit to the United States
15 pursuant to 18, United States Code, Section 982(a)(7), a sum of
16 money equal to \$4,401,495, representing proceeds traceable to
17 the commission of the offense to which he pled and all right,
18 title, and interest in certain specific property that is listed
19 in the order, specifically, \$298,393 that was recovered from
20 86-09 66th Avenue in Rego Park, New York on March 2, 2023.
21 At the plea hearing, I signed a consent preliminary order of
22 forfeiture as to specific property and money judgment and that
23 order is on the docket at ECF No. 156. It will be incorporated
24 into the judgment that I enter after today's hearing.

25 All right. In addition, the plea agreement provides

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1 that Mr. Aminov agrees to make restitution in the amount of
2 \$13,270,379.50. I believe the parties have now submitted an
3 order of restitution which provides for restitution in that
4 amount and it includes a schedule of payment.

5 This is on consent, Counsel? Mr. Eskew?

6 MR. ESKEW: Yes, Judge. As part of plea agreement,
7 the defendant consented to the entry of a restitution judgment.

8 THE COURT: All right. Mr. Aminov, you've reviewed
9 this consent order with your counsel and you do consent to pay
10 restitution or be obligated for restitution in this amount?

11 THE DEFENDANT: Yes, I did, your Honor.

12 THE COURT: All right. And that obligation is joint
13 and several, is it not?

14 MR. ESKEW: Yes, Judge, it is.

15 THE COURT: Does the order so provide?

16 MR. ESKEW: I believe it does.

17 THE COURT: It's just been handed to me. It says
18 restitution is not joint and several with any other defendants.
19 The single sentence at the end of paragraph 1 says that.

20 Mr. Coyle?

21 MR. COYLE: Yes, I believe that is correct, your
22 Honor.

23 THE COURT: That is not joint and several?

24 MR. COYLE: Correct, your Honor, although -- can I
25 have one moment to discuss with counsel?

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1 THE COURT: Please.

2 (Counsel confer)

3 MR. COYLE: Your Honor, the parties will submit an
4 amended order specifying joint and several with certain
5 defendants under the indictment but certainly not all. We'll
6 do that by the end of the day today, your Honor.

7 THE COURT: All right. Thank you. Because I should
8 sign this and enter it, you know, shortly within the vicinity
9 of entry of the judgment, and I do try to get the judgment
10 entered promptly after sentencing.

11 MR. COYLE: Absolutely, your Honor. With respect to
12 restitution, I believe the Court has actually does have a few
13 months to do that but by the end of the day, I'll --

14 THE COURT: Correct. I like to do it promptly and I
15 like to be sure it's on consent, which is why I ask these
16 questions at sentencing.

17 MR. COYLE: Absolutely.

18 THE COURT: All right. So it is joint and several
19 with several other defendants, in other words, right?

20 MR. COYLE: Correct, your Honor.

21 THE COURT: All right. I'll wait to hear from the
22 parties with respect to that.

23 All right. Now, with respect to the amendments that
24 were made at the conclusion of last year, the 2023 amendments
25 that the sentencing guidelines, I want to just confirm that the

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1 parties are in agreement that Mr. Aminov does not qualify for
2 the two-level offense calculation reduction for a zero-point
3 defendant because he did receive certain other adjustments for
4 in particular vulnerable victims and aggravating role in the
5 commission the offense.

6 MR. COYLE: That is the government's position, your
7 Honor.

8 THE COURT: All right. Mr. Eskew?

9 MR. ESKEW: Yes, Judge. That was part of our plea
10 agreement and the stipulated plea that we've entered into does
11 not provide for that two-level adjustment.

12 THE COURT: So you agree?

13 MR. ESKEW: Yes.

14 THE COURT: Thank you.

15 MR. ESKEW: Judge, can I just go back to the
16 forfeiture? I don't want to interrupt your Honor.

17 THE COURT: Yes.

18 MR. ESKEW: I think, and I may have gotten it wrong, I
19 think when you were discussing the forfeiture judgment you
20 mentioned the amount that was seized as 293,000 and change, and
21 that is an old number that I believe the government submitted
22 an amended consent judgment. The amount should be 318,393. I
23 just wanted to make sure.

24 THE COURT: I'm sorry. Tell me the amount again.

25 MR. ESKEW: \$318,393 was the amount that was seized,

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1 and that is what's reflected in the consent judgment that I
2 have.

3 THE COURT: Is that what you were looking for,
4 Mr. Coyle?

5 MR. COYLE: I was looking around for that, your Honor,
6 and that is correct, docketed at document No. 156 is the
7 consent offered forfeiture the total is 318,000 --

8 THE COURT: Where is that in this order?

9 Here it is. Okay. \$318,393. Correct.

10 MR. COYLE: Correct, your Honor. And that is also the
11 number reflected in the signed plea agreement.

12 THE COURT: All right. I appreciate that, Mr. Eskew.
13 Thank you.

14 Next, have you, Mr. Eskew, reviewed with Mr. Aminov
15 the proposed standard mandatory and special conditions of
16 supervised release, and are you comfortable with my referring
17 to those conditions proposed in the PSR simply as mandatory and
18 standard conditions without putting them on the record
19 verbatim?

20 MR. ESKEW: Yes, Judge.

21 THE COURT: All right. And have you specifically
22 reviewed the proposed special conditions of supervised release
23 with Mr. Aminov?

24 MR. ESKEW: Yes, Judge. We've gone over the PSR in
25 detail and he's reviewed it.

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1 THE COURT: All right. But in particular I'm asking
2 you now about the special conditions.

3 MR. ESKEW: Yes, Judge. And, in fact, you know, we
4 will be requesting that he be permitted to -- or that your
5 Honor recommend the RDAP program and so one of those special
6 conditions is regarding his drug and alcohol treatment program
7 as part of his sentencing, and we would like that to continue,
8 Judge, as part of his special conditions.

9 THE COURT: Okay. So, Mr. Aminov, I am -- you can
10 stay seated, sir -- I'm obligated to review with you
11 specifically the special conditions and put those on the
12 record, but did you review with your counsel all of the
13 conditions including the mandatory and standard conditions?

14 THE DEFENDANT: Yes, your Honor.

15 THE COURT: And the special conditions?

16 THE DEFENDANT: Yes, your Honor, I did.

17 THE COURT: All right. So probation proposes and I
18 would intend to impose the following special conditions during
19 any term of supervised release: First, that you be obligated
20 to participate in an outpatient treatment program approved by
21 the United States Probation Office, which program may include
22 testing to determine whether you've reverted to using drugs or
23 alcohol, and you would be obligated to contribute to the cost
24 of those services based on your ability to pay and/or the
25 availability of any third party payments, meaning insurance, in

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1 other words, and I would, in the order, authorize the release
2 of any available drug treatment evaluation or reports including
3 the presentence report to the provider of the substance use
4 disorder program. In addition, you must provide the probation
5 officer with access to any financial information that might be
6 requested --

7 Just give me one moment.

8 -- with respect to --

9 And you must not incur any new credit card charges or
10 open any additional lines of credit without the approval of the
11 probation office unless you're in compliance with your payment
12 schedules for forfeiture and restitution. I find this
13 condition justified in light of the nature of the crime to
14 which you are pleading guilty or you have pled guilty and in
15 order to ensure that there is not similar conduct in the
16 future. I also find it justified in light of the very
17 significant amount of forfeiture and restitution that you are
18 required to pay.

19 Probation also proposes and I would intend to order
20 that you must participate in an outpatient mental health
21 treatment program approved by the United States Probation
22 office and continue to take any prescribed medication unless
23 instructed otherwise by your healthcare provider and here too
24 you would be obligated to contribute to the costs of services
25 based on your ability to pay and the availability of third

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1 party payments and here too I would authorize the release of
2 available psychological and psychiatric evaluations and reports
3 and the health -- and the presentence report to the healthcare
4 provider. I find that both this condition and the outpatient
5 drug and alcohol treatment program are warranted in light of
6 your own professed history of substance abuse and the mental
7 health issues that you've been struggling with. So it would be
8 my intent to impose each of those special conditions. I
9 would --

10 Well, Counsel, I'm interested in you telling me, is
11 there a need to include in the treatment program for drug and
12 alcohol that there be attention given to gambling issues as
13 well?

14 MR. ESKEW: Judge, I don't think so. In my
15 conversations with Mr. Aminov, that seemed to be something that
16 it was cabined off in his life that he had a professed gambling
17 issue at one time and was spending too much money doing those
18 kinds of activities but he has gotten that under control and it
19 has not been an issue of late. I think it's more the mental
20 health treatment and the drug and alcohol -- really alcohol,
21 it's not really drugs, that he has been benefited from
22 presentencing and will continue to benefit from in the future.

23 THE COURT: All right. I will -- Mr. Aminov, do you
24 agree with that? Do you feel you've gotten the gambling issues
25 under control?

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1 THE DEFENDANT: Yes.

2 THE COURT: All right. I will not particularize that,
3 but I will impose the special conditions that were proposed by
4 probation and which you seem to yourself say you think would be
5 beneficial to you. I won't specify gambling, but I will
6 encourage you in the strongest terms that you be honest with
7 your treatment providers, and if there is an issue, you share
8 that with them so that they can try to help you deal with it.
9 Understood?

10 THE DEFENDANT: Yes, I understand.

11 THE COURT: So are there any objections to those
12 proposed special conditions, Mr. Eskew?

13 MR. ESKEW: No objection.

14 THE COURT: And does the government still agree that
15 Mr. Aminov is entitled to a two-level reduction in the
16 calculation of his offense level by reason of his clearly
17 demonstrated acceptance of responsibility?

18 MR. COYLE: It does, your Honor.

19 THE COURT: All right. And does the government intend
20 to move for a further one level reduction pursuant to
21 Section 3E1.1(b) by reason of Mr. Aminov's timely notice of
22 intent to plead guilty?

23 MR. COYLE: The government so moves at this time.

24 THE COURT: All right. The motion granted. And I
25 will tell that you in doing my own independent calculation

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1 under the sentencing guidelines, I did include not only the two
2 level reduction for acceptance of responsibility but also the
3 additional level -- additional one level reduction for timely
4 notice of an intent to plea.

5 I will note for the record that the stipulated
6 guidelines range is consistent with what's set forth in the
7 PSR, the calculation by the probation office, and that also
8 matches the independent calculation that I did.

9 So just to confirm, there are no disputes or
10 objections with respect to the PSR, correct? Mr. Coyle?

11 MR. COYLE: None from the government, your Honor.

12 THE COURT: And is that true from the defense as well,
13 Mr. Eskew?

14 MR. ESKEW: Yes, Judge.

15 THE COURT: All right. So I will adopt the PSR in its
16 entirety including the factual findings and the guidelines
17 calculations that are set forth therein. The PSR will be made
18 part of the record in this matter. It will be filed under
19 seal. If any appeal is taken, counsel on any appeal may have
20 access to the PSR without application Court.

21 All right. Before I turn to imposing sentence, does
22 the government wish to be heard?

23 MR. COYLE: It does, your Honor.

24 THE COURT: Please.

25 MR. COYLE: Thank you.

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1 Your Honor, Mr. Aminov is the first defendant to be
2 sentenced in this 11-defendant fraud case.

3 THE COURT: Am I correct that he's also the first to
4 have pled, right?

5 MR. COYLE: That's correct, your Honor.

6 THE COURT: Yes.

7 MR. COYLE: And he sits at the very top of that
8 indictment for very good reason. I'll talk in a bit about
9 Mr. Aminov's precise roll within the scheme and the 3553(a)
10 factors as they pertain to him and why the government
11 absolutely believes that the sentence of 120 months is
12 necessary under those factors.

13 But, first, I want to talk about the scheme itself,
14 because the government hasn't had a chance yet to do that in
15 court given Mr. Aminov is the first to be sentenced and because
16 this is not a typical financial fraud case. The scheme was
17 uniquely insidious and harmful in a number of ways that are
18 very important to understand and I'd like to begin there.

19 Not long ago, the HIV/AIDS epidemic was ravaging the
20 country and New York City in particular. At that time an HIV
21 diagnosis was akin can to a death sentence. There was
22 extraordinary fear and a true public health emergency.
23 Pharmaceutical companies set off to develop drugs to treat this
24 deadly infection. And a major breakthrough came, a medical
25 changer, antiretroviral medications that could effectively

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1 control the symptoms of HIV and help to prevent its spread.
2 And in a short period of time these drugs were improved upon
3 with multi-drug regimens that could both control HIV symptoms
4 and ameliorate the harmful side effects of these medications.
5 For many HIV patients, these drugs represented a new lease on
6 life.

7 For the defendant and others involved in the scheme,
8 these drugs represented a massive opportunity to commit fraud.
9 Many of these drugs are under patent, there are no generics
10 available on the market, and they are very expensive. But
11 because of the vital role that they play in treating this
12 disease, government insurance, like Medicaid and Medicare,
13 covers the cost of these prescriptions and reimburses upwards
14 of \$3,000 for a single month prescription for a single patient
15 with HIV on the promise that that money will then be spent to
16 buy legitimate HIV medication from legitimate sources at or
17 near that price, they were reimbursed.

18 And that's where the fraud comes in. Instead of
19 spending the money collected from government insurance to buy
20 legitimate medication, pharmacies sourced the meds from black
21 market channels like Mr. Aminov instead. At some point in the
22 black market HIV medication supply chain, that black market
23 medication comes from people buying HIV medication from
24 patients who had been prescribed that -- that medication and
25 giving them a nominal fee. This medication could be expired,

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1 degraded, stored improperly, and in all events, is outside of
2 the legitimate and regulated medication supply chain. Profit
3 margins were enormous. While government insurance would
4 reimburse for the full price to buy the meds from legitimate
5 wholesalers, patients are paid only a few hundred dollars to
6 buy back their medication. So that's thousands of dollars in
7 profit off of a single monthly prescription for a single
8 patient. Medicaid and Medicare were the primary economic
9 victims of this fraud. And Mr. Aminov himself is liable for
10 restitution to those entities of more than \$13 million.

11 But make no mistake, your Honor. There were other
12 victims here, vulnerable victims, the patients with HIV.
13 They're victims of this fraud in at least two ways, first, many
14 of these patients were on Medicaid and were poor. Many have
15 drug dependencies and live in shelters. They were faced with
16 the choice of selling back their meds for a few hundred dollars
17 a month instead of taking the medication that they were
18 prescribed to treat their potentially deadly infection. Every
19 month these patients asking themselves, how do I feel, can I go
20 a month without my meds? How are my T cell levels? How bad do
21 I need that few hundred dollars that I'm being offered for my
22 medication? Because these meds are so effective, a patient can
23 go a month or two without the meds and maybe not end up in the
24 hospital, but they certainly shouldn't do that. That puts
25 their health at risk. It also makes the medication less

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1 effective when they -- those patients start retaking it. It
2 also increases the likelihood of spreading the disease to
3 others.

4 To be clear, the government's evidence doesn't show
5 that Mr. Aminov bought back meds directly from patients but
6 that's because he was higher up in the scheme. He received
7 large deliveries of medication from others that had been
8 collected from patients. That's evident from the stockpile of
9 black market medication found in his townhouse that were
10 degraded, in the names of many different patients from many
11 different pharmacies and clearly bought back. The government
12 isn't aware of any other way that one could acquire the
13 medication that Mr. Aminov was trafficking other than it being
14 bought back from patients at somewhere -- in somewhere in that
15 supply chain.

16 Now, the second way that HIV patients were victims of
17 the scheme is that pharmacy patients believed they were
18 receiving legitimately sourced medication, medication from
19 regular -- regulated wholesalers, but Mr. Aminov and others
20 took great care to remove the labels off of bought back
21 medications, dress up the bottles as though they were new,
22 placing new patient labels on them, and making them appear
23 legitimate, when, in fact, they weren't. Patients were being
24 provided these dirty bottles doctored to look like legitimately
25 sourced medication. These meds were sometimes expired as

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1 evidenced from messages on Mr. Aminov's phone and other
2 medication recovered in his townhouse. This was extremely
3 reckless and could have -- and could have and very well might
4 have done really harm to the patients that actually took these
5 medications.

6 All this to say, your Honor, the offense here was
7 extremely serious. This is not a garden variety economic fraud
8 but rather one designed to exploit vulnerable people with HIV.
9 And a significant sentence is needed for just punishment and to
10 reflect the seriousness of that offense.

11 Mr. Aminov was a leader in this scheme. He occupied
12 many roles within it. He operated his own pharmacy, called
13 Bless You RX that distributed black market meds and defrauded
14 Medicaid and Medicare in direct fraudulent billings in the
15 amount of millions of dollars, but he was also a major supplier
16 and distributor of the black market meds to other pharmacies
17 all around the New York. Christy Corvalan's pharmacy in the
18 Bronx alone paid shell companies provided to her by Mr. Aminov
19 more than \$5.7 million over two years, presumably as payment
20 for the black market meds that she was distributing to her
21 patients received from him. He also sold to other pharmacy
22 owners including Roman Shamalov and Irina Polvanova, who are
23 also codefendants in this case, and he also provided vital
24 information to other coconspirators on how to execute the
25 scheme. For example, he provided advice to Corvalan on where

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1 she could find pharmacists and new pharmacies that could be
2 purchased out of which he could perpetrate the fraud.

3 A sentence of 120 months is also required to provide
4 adequate deterrence in this case.

5 And I know, your Honor, the Court hears many arguments
6 about the role of deterrence in financial frauds, but I want to
7 be crystal clear about what deterrence means in this specific
8 case: This scheme was extremely sophisticated. Aminov
9 provided the names of 17 shell companies to Corvalan and others
10 where they made payment for the dirty meds that he provided
11 them. Corvalan alone paid those companies \$5.7 million in
12 handwritten checks. Others picked up those handwritten checks
13 and cashed them at check cashing stores to launder those funds.
14 They walked out with bags of money, hundreds of thousands at a
15 time. Where that money went is very difficult to determine.
16 The scheme was specifically designed to conceal all those
17 profits, but I'll note that more than \$300,000 in cash was
18 seized from the townhouse from which Mr. Aminov perpetrated the
19 fraud.

20 Also, defendants engaged in the scheme constantly,
21 opened and closed different pharmacies to avoid the detection
22 of irregular billing patterns and audits from insurance
23 companies. Aminov communicated with scheme participants using
24 encrypted messaging application like WhatsApp and telegram
25 including to receive their medication orders.

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1 In short, your Honor, frauds of this scale and
2 sophistication are extremely difficult to detect and to
3 prosecute. That's the reality.

4 And that's evident from how this case was
5 investigated. This case was investigated by the FBI's
6 healthcare fraud squad for nearly a year and a half before
7 charges were filed. The investigation all began with a flyer a
8 single piece of paper saying, we buy meds, and a phone number
9 that was found at an HIV-assisted living facility. An FBI
10 undercover agent called that number and the person on the other
11 end confirmed he would buy HIV and other meds from patients.
12 That person was an Antonio Payano, another codefendant. Agents
13 then did an analysis that tied Payano to Christy Corvalan who
14 they saw was a pharmacy owner in the Bronx. An in-depth
15 investigation was undertaken of the pharmacy's financials.
16 Medicaid and Medicare reimbursements and pharmacy billing
17 records that showed that almost all of those pharmacy patients
18 were HIV patients and were reimbursed almost \$15 million for
19 HIV meds, yet almost no drugs were actually bought from
20 legitimate wholesalers. Millions in checks, nonetheless, were
21 written to shell companies from the pharmacy account. After
22 many months of intensive investigation, search warrants were
23 obtained that revealed Mr. Aminov as a major provider of the
24 black market meds to Corvalan and the others and that those
25 shell companies had been given to Corvalan by Aminov to make

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1 payment for his services.

2 In short, Mr. Aminov is a leader in a massive,
3 sophisticated fraud that took years of dedicated investigation
4 from skilled agents to thwart.

5 A sentence must send the message to these
6 contemplating leading a scheme like this on the front end no
7 matter how much money you might be able to make and no matter
8 what steps you try to take to avoid detection. If you are
9 caught, as if -- as Mr. Aminov was caught here, the
10 consequences will be severe. That is the importance of
11 deterrence in this case.

12 Finally, your Honor, I want to address the
13 characteristics of the defendant and acknowledge that there has
14 been tragedy in Mr. Aminov's life and he appears to take on
15 responsibilities for members of his family and others in the
16 community. But the government just doesn't buy that in his
17 involvement was not primarily driven by greed. That's the
18 nature of this scheme, making money off vulnerable patients.
19 And while the government can't show where, for example, the
20 5.7 million paid to the shell companies provided by Aminov to
21 Corvalan ultimately went, Aminov clearly profited. He drove a
22 new Range Rover. He had hundreds of thousands of dollars in
23 cash seized in his townhouse. And we expect that he laundered
24 much greater sums for his personal benefit. But the government
25 does recognize a degree of mitigation from the arguments raised

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1 in the defendant's submission. And importantly, your Honor,
2 that mitigation has already been thoroughly considered and
3 accounted for. Mr. Aminov's guidelines are 151 to 188 months
4 for his conduct. Yet, he was offered a plea that allowed him
5 to plead to healthcare fraud conspiracy that has a statutory
6 maximum of 120 months --

7 THE COURT: All right. So, Mr. Coyle, a couple of
8 things.

9 MR. COYLE: Yes.

10 THE COURT: First, his guidelines sentence is
11 120 months. It's not the range that would be yielded by the
12 matrix, correct?

13 MR. COYLE: Absolutely, your Honor, that --

14 THE COURT: All right. And, second, your office
15 entered into the plea deal with Mr. Aminov, presumably for good
16 and sufficient reasons, you allowed him to plead only to the
17 one count. Does not case law say it's not appropriate for you
18 to ask me to take into account that he's already gotten a
19 benefit by the deal that your office gave him?

20 MR. COYLE: Your Honor, it is certainly appropriate to
21 look at what the conduct stipulated to --

22 THE COURT: Yes.

23 MR. COYLE: -- would have yielded. Of course, the
24 guideline range operatively becomes the statutory max in the
25 event it is over that, but what the government is trying to

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1 explain and what it's very permissible for the Court to take
2 into account is the reasons why the government thought it
3 appropriate to make this deal here in saying that in doing so,
4 it already accounted for the mitigating factors that Mr. Aminov
5 raises now. What I'm trying to communicate, your Honor, is
6 that the things raised in the defendant's submission are things
7 that the government considered and thought about --

8 THE COURT: If you considered them, I'm the one that's
9 imposing sentence, not the government, and that's the question
10 I'm asking you. So you considered it and that's all well and
11 good.

12 MR. COYLE: And that's simply what I'm doing, your
13 Honor, is I'm communicating --

14 THE COURT: But I'm not supposed to take it into
15 account.

16 MR. COYLE: Your Honor, it is appropriate to consider
17 the things that Mr. Aminov had been charged with versus
18 something that he pled to --

19 THE COURT: The conduct that he engaged in, yes.

20 MR. COYLE: And, your Honor, the reason that it's put
21 in the plea agreement and within the guidelines calculation in
22 the PSR that informs the Court of but for that statutory
23 maximum sentence on the count that he pleaded to, what would
24 the conduct ultimately have yielded. It is background
25 information. That's why it is important for the Court to know,

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1 for example, the enhancements that did come into play here.

2 THE COURT: Okay. The second question I have for
3 you --

4 MR. COYLE: Yes, your Honor.

5 THE COURT: -- is in terms of avoiding unwarranted
6 sentencing disparities. I understand Mr. Aminov was clearly a
7 leader here. He stipulated to that in connection with his
8 plea.

9 MR. COYLE: Yes, your Honor.

10 THE COURT: But you haven't really addressed relative
11 culpability. I mean, you said at the outset he's at the top.
12 Is that the government's view?

13 MR. COYLE: Absolutely, your Honor. There are 11
14 defendants charged in this case --

15 THE COURT: And it's your view that he alone is the
16 most culpable?

17 MR. COYLE: That is the government's view. And, your
18 Honor, this is an important point, and I should have brought it
19 up earlier, that is further reason that -- not only, like
20 others involved in the scheme, did Mr. Aminov operate his own
21 pharmacy from which he was orchestrating this scheme, he was
22 also serving as an umbrella to other pharmacies to permit them
23 to do it, to source the black market meds to those other
24 pharmacies owned by Corvalan, Shamalov, and Polvanova in this
25 case. So, yes, the government views Mr. Aminov as the most

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1 culpable in this scheme.

2 THE COURT: Okay. I don't know, I think I interrupted
3 you, and I'm sorry. Finish your thoughts.

4 MR. COYLE: No. They were very helpful questions,
5 your Honor. Thank you very much.

6 In all events, for all of these reasons that the
7 government stated including the government's thought process in
8 offering a plea to the healthcare fraud conspiracy, the
9 government believes that a 120-month sentence is sufficient but
10 not greater than necessary to achieve the aims of sentencing,
11 but it strongly believes that 120 months is necessary because
12 the sentence needs to reflect the gravity of this harmful fraud
13 that exploited vulnerable HIV patients, provide just
14 punishment, and provide deterrence to other leaders of large,
15 sophisticated schemes deliberately and skillfully designed to
16 evade law enforcement detection.

17 We respectfully request that the Court impose a
18 sentence of 120 months for all those reasons.

19 THE COURT: All right. Thank you.

20 MR. COYLE: Thank you.

21 THE COURT: Just one moment.

22 All right. Mr. Coyle, I assume there are no victims
23 who wish to be heard?

24 MR. COYLE: No, your Honor.

25 THE COURT: All right. Mr. Eskew, do you wish to

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1 address the Court?

2 MR. ESKEW: Yes, please. Thank you, your Honor.

3 Judge, I'll start just by noticing the obvious, which
4 is a full courtroom. There's many members from the community
5 here to support Mr. Aminov and to show their love for him.
6 Those people include his mother, Rachel Aminov, who is seated
7 in the gallery.

8 THE COURT: Where is -- Thank you.

9 MR. ESKEW: It also includes, of course, friends,
10 family, members of his community.

11 THE COURT: Are these all community members?

12 MR. ESKEW: Just about, Judge. There are some people
13 who are not from the community, the program that Mr. Aminov has
14 been participating in presentence is also here, The Focus
15 Forward Project, which I'm sure your Honor is aware of, and
16 they are here as well.

17 They can raise their hand.

18 THE COURT: Thank you.

19 MR. ESKEW: A couple of people from my office, Judge.

20 So it's mostly, though, I'd say 98 percent members of
21 his community showing their support, and people whose lives,
22 you know, Mr. Aminov has affected directly through some of his
23 charitable works and his support of his community and family.

24 Judge, there's three people who are not here, which
25 you know from our submission --

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1 THE COURT: There's more than three people not here.

2 MR. ESKEW: Sure.

3 THE COURT: They're all of the people who were
4 impacted who were battling HIV.

5 MR. ESKEW: You're right, Judge. There's many
6 victims, and it's a very serious offense, and we will address
7 directly, Judge, the seriousness of the offense.

8 And I will say, Judge, right up front that Mr. Aminov
9 accepts responsibility. You'll hear from him himself. He's
10 aware of the seriousness of the offense and none of my comments
11 today, Judge, in mitigation of sentencing, which, of course,
12 you will hear from me, are meant to, in any way, minimize his
13 involvement. I'll address that directly. It's not meant to
14 minimize the impact on the HIV patients who took these
15 medications or the other codefendants in any way. This was a
16 serious scheme. And Mr. Coyle is right, that it's not your
17 garden variety economic offense. It is a serious healthcare
18 fraud offense. And we believe a serious sentence is warranted.

19 And Mr. Aminov sits in front of you today prepared for
20 that. He knows it's coming. He knows he has to face jail
21 time. He knows he'll have a serious and significant separation
22 from many of the people in this room who love him very much.
23 So he knows that that's coming. But, nonetheless, I hope that
24 your Honor will hear our argument in mitigation to say that we
25 don't think it needs to be 120 months, that it should be

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1 substantial, but something less than that, something
2 significantly less than that.

3 The three people that I was referring to, Judge, that
4 are directly involved in Mr. Aminov's life are his father and
5 his two brothers who are not here. And I don't say that to be
6 dramatic. I don't say that to invoke the Court's sympathy. I
7 say that, Judge, because those three people loom large in this
8 case from the perspective of the history and characteristics of
9 the defendant and the nature and circumstances of the offense,
10 two very important considerations under 3553 -- 3553(a).

11 And I won't belabor the point, Judge. I know you've
12 read the papers and all the letters and I know you're very
13 familiar with the PSR. However, I do want to say that
14 Mr. Aminov's adult life has been marred by pretty significant
15 tragedy that is unique and unlike what I expect you'll face
16 with many of the defendants in this case and many of the
17 defendants generally who come before you. That's not to say
18 that other defendants don't have their own unique and difficult
19 histories to face. But Mr. Aminov was placed in a position
20 within his family where he and his mother were the only ones
21 left within his immediate family because of the tragic death of
22 his father to a hit-and-run accident when he was returning home
23 from services on Yom Kippur, his completely -- nearly
24 completely disabled brother who suffers from advanced multiple
25 sclerosis and who is now confined to an assisted living

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1 facility and is on a feeding tube, and his other brother, who
2 committed suicide in 2019 as a result of issues with his own
3 mental health and left behind a wife and two children,
4 Mr. Aminov's niece and nephew. And it's not just tragedy and
5 so be sympathetic to Mr. Aminov's situation, these are the --
6 the events that led directly to Mr. Aminov's involvement in the
7 charged conduct. It's one of the reasons why Mr. Aminov's plea
8 was to a more narrow period of time than some of the other
9 defendants because he did not get involved from the beginning.
10 And so to address one of the points that the government makes
11 about, you know, characterizing in their sentencing submission
12 Mr. Aminov as the, quote-unquote, mastermind behind this
13 scheme, that doesn't square with the facts. We don't deny that
14 he operated at a high level.

15 THE COURT: You stipulated that he was the leader --

16 MR. ESKEW: Yes --

17 THE COURT: -- and organizer.

18 MR. ESKEW: Absolutely, Judge. But not the mastermind
19 of the scheme, as they paint him.

20 THE COURT: All right. But we're not going -- the
21 game of semantics doesn't really influence me.

22 MR. ESKEW: Judge, it's not meant to be semantical.
23 It's meant to be a reflection of the facts.

24 THE COURT: I didn't mean you. I meant the
25 government's use of the term mastermind is not determinative.

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1 I'm just telling you.

2 MR. ESKEW: Understood. He was an organizer, a
3 leader., he's accepted responsibility for that. It's
4 comprised -- it is captured by his sentencing guidelines.

5 But he came to this scheme largely after the death of
6 his brother and took over that business and made a critical
7 mistake in doing so, which is that he continued that business
8 in the shoes of his brother in a manner that continued the
9 illegal conduct that had been ongoing, that distributorship,
10 and that's a mistake that Mr. Aminov is reckoning with now and
11 will reckon with as he sits in jail after your Honor's
12 sentence.

13 THE COURT: And that's 13 years after his father was
14 killed, right?

15 MR. ESKEW: Yes, correct, Judge, it was, but
16 contemporaneous with the death of his brother. And we do think
17 it's significant, Judge, that with respect to the nature and
18 circumstances of the offense, the context of that crime was not
19 an outgrowth of pure greed. Certainly they made money and
20 certainly Mr. Aminov benefited from that, as can be seen, but
21 there are some defendants in this case, Judge, where they
22 benefited to a far greater degree comparatively. And, so, yes,
23 he's an organizer, leader --

24 THE COURT: And he stipulated to a loss amount of over
25 \$13 million.

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1 MR. ESKEW: Yes, Judge.

2 THE COURT: He stipulated to that.

3 MR. ESKEW: Yes.

4 THE COURT: Okay.

5 MR. ESKEW: And he stipulated to it, Judge, because
6 that is the loss number that is reflective of his -- of his
7 involvement in the scheme during the period of time -- the
8 period of time in which he was involved and he accepted the
9 forfeiture number based on the money flow that was calculated
10 by the government to him.

11 I think, Judge, that when considering the history and
12 characteristics of the defendant and the nature and
13 circumstances of the offense, there is mitigation present.
14 Because of his tragic circumstances, because of the
15 circumstances under which he came to the offense, and the
16 manner in which he participated in it. And some of the other
17 factors that you can see in the letters that I won't -- that I
18 won't belabor but his very, very significant involvement in the
19 community, with veterans, with poor folk, all of which predate
20 his involvement in this offense and are a reflection of his
21 true character, not necessarily just a defendant who is trying
22 to prove to your Honor that he's made a turn for the better.

23 Judge, with respect to deterrence, obviously, there's
24 a need for general and specific deterrence. It will be part of
25 the considerations that your Honor makes in fashioning your

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1 sentence. But I would submit, Judge, that the government's the
2 outlier here when it comes to the recommended sentence. I
3 mean, probation obviously is not entitled to, you know, any of
4 your deference, your Honor, you hand out the sentence, of
5 course, you have the authority to do that. But we do think
6 it's significant that probation took a look at this and met
7 with the defendant and went through his mitigation and took a
8 look at the offense as well and came up with a sentencing
9 recommendation of 84 months. We do think that that's a
10 reflection of the fact that there is substantial mitigation
11 here when you bring into account all of the 3553(a) factors,
12 not just the offense conduct, which looms large and requires a
13 substantial sentence, but is not the only consideration.

14 And so, Judge, we would submit that when you consider
15 all of those factors, Judge, his tragic circumstances and his
16 family situation, he knows that he will be separated from his
17 family now for a significant period of time, but as he sits
18 here, what he reflects upon is that if that sentence is
19 120 months, there's a decent chance that he never sees his
20 disabled brother again and possibly even his mother, who is
21 elderly. And so we ask for that sentence to be sufficient,
22 serious, to provide general deterrence, to send a message to
23 the other defendants in this case.

24 I'll note that Mr. Aminov pled first, as your Honor
25 knows, and after his plea, a couple -- I think one other

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1 defendant and/or maybe two are contemplating pleas or have pled
2 guilty. So he deserves at least a little bit of credit there
3 for acceptance of responsibility which he gets under the point
4 system.

5 But, Judge, I would submit that he is suffering --

6 THE COURT: He gets that in the calculation of his
7 guidelines range.

8 MR. ESKEW: He does, Judge, he does.

9 He sits here knowing that he faces a substantial
10 sentence, and what we ask, Judge, is to apply some mitigation
11 credit for -- for some of these mitigating factors that
12 probation certainly has observed and made a recommendation
13 about.

14 And I'll just make one very last brief point, Judge,
15 with respect to the back and forth that you had with the
16 government, I don't really think it's necessary because your
17 Honor raised it already, but I will say that it is not
18 appropriate to consider the plea negotiations of the parties.
19 The government, you know, made a decision to cap it at
20 ten years and we made a decision to not fight on certain other
21 aspects that we could have fought on, not knowing how they
22 would turn out. That's litigation risk. That's the
23 consideration of the parties. And your Honor knows that the
24 Second Circuit has said that it is -- if you are going to
25 provide mitigation, you do so from 120 months, not from

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1 whatever would have exceeded the statutory cap. That would be
2 reversible error, and it's incorrect for the Court -- for the
3 government to ask for it.

4 THE COURT: I acknowledge that. That was my point.

5 MR. ESKEW: Thank you, Judge.

6 I have nothing further, but, you know, Mr. Aminov has
7 prepared a statement he would like to, of course, address the
8 Court.

9 THE COURT: Of course. Sure.

10 So, Mr. Aminov, whenever -- whenever you're ready, and
11 however you're most comfortable. If you prefer to remain
12 seated, you may. Certainly you should take a drink of water.
13 If you prefer to stand, you may do that, however you're more
14 comfortable.

15 MR. ESKEW: Judge, he's prepared a written statement.

16 THE COURT: Sure. Obviously, I'm happy to hear from
17 Mr. Aminov. You're not obligated, sir, to speak, but if you
18 wish to, I'm happy to hear from you.

19 THE DEFENDANT: Your Honor, I stand before you today
20 deeply remorseful for the actions that have brought me here.

21 THE COURT: Why don't you fix the microphone, Counsel,
22 just point it out.

23 THE DEFENDANT: I recognize the gravity of my crimes
24 and the severe impact they have had on vulnerable individuals,
25 our healthcare system, and the trust of our community.

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1 I'm profoundly sorry for exploiting those in dire need
2 of medical care and for undermining the integrity of our
3 healthcare institutions. My actions were wrong and they hurt
4 people who were already struggling with their health and
5 financial stability. This reality weighs heavily on my heart
6 and I'm committed to making amends.

7 I understand that my behavior has damaged lives, and
8 for that, I am truly sorry. I'm prepared to face the
9 consequences of my actions and to use this experience as a
10 turning point. I hope for an opportunity to demonstrate my
11 commitment to living a responsible and contributive life moving
12 forward.

13 I ask for your mercy in sentencing, not just for me
14 but for the sake of my family who depends on me. I have been
15 fortunate in my life to have people around me who care about me
16 and love me. Some of them are here today, my family, my
17 mother, my friends, my community. I let -- I let them down as
18 well.

19 But I have also experienced terrible tragedies in my
20 life and my family needs me to help care for them and provide
21 for them. This is especially true of my disabled brother, my
22 wife, my mother, and my deceased brother's family. I know I
23 must go to jail and be separated from them but I ask for your
24 mercy and consideration in handing out that sentence that I can
25 be reunited with them in the near future to live a better life

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1 and care for them. I pledge to do everything within my power
2 to rectify the harm I have caused and to contribute positively
3 to society if given the chance.

4 Thank you.

5 THE COURT: All right. Thank you, Mr. Aminov.

6 So at this time, I'm going to talk to you about my
7 thought process in terms of crafting the appropriate sentence
8 for this case and the sentence that I do intend to impose.

9 So I begin, as I'm obligated to do, with my own
10 independent calculation under the sentencing guidelines. I'm
11 going to run through it quickly because I told you at the
12 outset that my own calculation is consistent with what you all
13 stipulated to in the plea agreement and what's contained in the
14 PSR. So I don't want to belabor that, but as I say, I'm going
15 to describe the sentence I do intend to impose and my statement
16 of reasons. After I do that, both sides will have the
17 opportunity to make any legal objections before sentence is
18 finally imposed.

19 So, in doing my own guidelines calculation, I used the
20 November 1, 2023 guidelines manual. Under that manual, the
21 guideline for violation in Count One is Section 2B1.1, which is
22 the guideline for the underlying offense of healthcare fraud.
23 Because Count One has a statutory maximum term of imprisonment
24 of ten years, the base offense level is 6. There are a number
25 of adjustments that I made based on various offense

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1 characteristics including because the total loss amount of
2 \$13,270,379.50 exceeds nine and a half million but does not
3 exceed 25 million, the offense level is increased by 20. There
4 is a further offense characteristic adjustment because
5 Mr. Aminov was convicted of a federal healthcare offense
6 involving a government healthcare program and the loss to that
7 government program was more than \$7 million. Therefore, the
8 offense level is increased by 3. Because the offense involved
9 sophisticated means and Mr. Aminov intentionally engaged in or
10 caused the conduct constituting sophisticated means,
11 specifically through the use of shell companies, the offense
12 level is increased by 2.

13 There are then adjustments for victim related
14 considerations because Mr. Aminov knew or should have known
15 that among the victims of his offense were vulnerable victims
16 and the offense enlarged a large number of vulnerable victims,
17 the offense level is increased by 4 additional points. And,
18 finally, because Mr. Aminov was, by his own stipulation, an
19 organizer, leader, manager, or supervisor in criminal activity,
20 other than that described in Section 3B1.1(a) and (b), there is
21 an additional two-level increase in the offense level resulting
22 in an adjusted offense level of 37.

23 I then did subtract the two levels that we talked
24 about earlier for Mr. Aminov's acceptance of responsibility and
25 an additional one-level reduction for his timely notice of

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1 intent to enter a plea resulting in a total offense level of
2 34.

3 Mr. Aminov has no criminal history points putting him
4 had in Criminal History Category I. The guidelines range for
5 an offense level of 34 and a Criminal History Category of I is
6 151 to 188 months. However, pursuant to Section 5G1.1(a) and
7 (c), because the statutory maximum sentence for Count One is
8 120 months of imprisonment, the guidelines range applicable to
9 this case is 120 months of imprisonment.

10 Now, in addition to considering the sentencing
11 guidelines themselves and the calculation of the guideline
12 sentence of 120 months, I've also very carefully considered and
13 weighed all of the factors that Congress has set forth in the
14 statute at 18, United States Code, Section 3553(a). For the
15 benefit of everyone here, those factors include the nature and
16 circumstances of the offense and the history and
17 characteristics of the defendant, Mr. Aminov, the need for the
18 sentence imposed to further the goals of sentencing which
19 include the need to reflect the seriousness of the offense, to
20 promote respect for the law, and to provide just punishment for
21 the offense, to afford adequate deterrence to criminal conduct,
22 to protect the public from further crimes of the defendant, to
23 provide the defendant with needed educational and vocational
24 training, medical care, or other correctional treatment in the
25 most effective manner. The 3553(a) factors also include the

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1 sentencing guidelines and the applicable range for this case as
2 well as any other applicable policy statements issued by the
3 commission and the need to avoid unwarranted sentencing
4 disparities among similarly-situated defendants and the need to
5 provide restitution to the victims.

6 So, Mr. Aminov, in evaluating what would be an
7 appropriate sentence in your case, I have carefully weighed all
8 of these 3553(a) factors that I've just outlined and the
9 appropriate purposes of sentencing as reflected in the statute.

10 I'll note at the outset that this is an extremely
11 serious case, and I'll highlight the factors that I find most
12 relevant in this case. As I say, I begin with the seriousness
13 of the offense, which is extreme. For years you led, you
14 orchestrated, you participated in a massive sophisticated fraud
15 that generated tens of millions of dollars in profits by
16 exploiting vulnerable patients suffering from HIV. This is
17 significantly different than a pure economic fraud case or even
18 any other healthcare fraud case that I have seen, frankly. As
19 one of the ring leaders of this massive scheme, you oversaw and
20 coordinated the procurement and trafficking of potentially
21 life-threatening black market HIV medication to vulnerable and
22 oftentimes low-income victims. You knew that the quality and
23 condition of those black market medications were potentially
24 dangerous. And yet you and your coconspirators took active
25 steps to make the bottles of diverted medication falsely appear

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1 that they were new and in proper condition.

2 Now, at the plea hearing, you tried to distance
3 yourself from the sale of those black market drugs to patients
4 by the pharmacies, but you stipulated in your plea agreement
5 that you "caused patients with HIV to receive illegally sourced
6 black market HIV medication." And while you may not have
7 masterminded the so-called buyback incentive portion of this
8 healthcare fraud scheme, the large quantities of bottles of
9 drugs with names of patients on them and other paraphernalia
10 that were found in your apartment when it was searched make it
11 very clear that you did participate in and profit from that
12 heinous aspect of the fraud.

13 I'll note too that it is troubling that there was an
14 assault type firearm found in your home as well.

15 Not only did your actions defraud government insurance
16 programs including Medicaid and Medicare of at least
17 \$13 million by your own stipulation, but, more importantly,
18 your actions exploited low-income HIV patients and put their
19 health and safety at severe risk. You profited from the
20 year-long scheme which incentivized vulnerable patients, who,
21 as I said, were often impoverished to sell back their
22 life-saving medication in exchange for small but much needed
23 amounts of money.

24 A review of your personal history, which I will talk
25 about in more detail in a moment, demonstrates to me that your

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1 conduct was not driven by financial desperation or poverty, but
2 instead can only be attributed to greed.

3 Now, in addition to this trafficking scheme which you
4 did spearhead, that scheme was highly sophisticated and
5 intentionally structured to avoid detection. You utilized at
6 least 17 different shell companies to hide the scheme and to
7 conceal the proceeds of your fraud. You and your
8 coconspirators regularly closed and opened pharmacies so that
9 irregular billing patterns could not be detected.

10 In sum, the seriousness of the offense and the
11 calculating nature of it weighs in favor of a substantial term
12 of imprisonment.

13 Now, I turn, as I said I would, to your history and
14 personal characteristics, and, as I always do when I'm
15 considering sentencing, I did my best to make an assessment of
16 you as an individual. You had, in your own words, a happy
17 childhood, during which time you enjoyed a close relationship
18 with both your parents and siblings. Your parents were able to
19 provide you and your siblings with a comfortable middle class
20 upbringing and they met all of your basic needs. You were
21 never subjected to abuse or neglect. That all stands in stark
22 contrast to many of the defendants who come before me.

23 Now, I do understand that you and your family faced
24 hostility and anti-Semitism in your home country, something no
25 person should ever experience anywhere. But your parents

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1 sought a better way of life for you and your siblings and they
2 were able to get that for you, enabling you to move to this
3 country when you were young, and ultimately you become a
4 naturalized citizen.

5 Now, I understand that you faced great struggles as a
6 result of the death of your father and more recently your
7 brother. You do remain close, as I understand it, with your
8 mother and your devoted wife and your brother. I'm truly sorry
9 for the traumatic events in your life, but they do not justify
10 the behavior you engaged in or the fraud that you perpetrated.

11 Now I have carefully read the many letters of support
12 that I received, 25 of them, I believe in all. They depict a
13 kind man, a caring man. It's very clear to me that your family
14 and friends love you. The turnout of people in this courtroom
15 is probably among the highest I've ever had in any of my cases.
16 So, obviously, you are loved, you are supported, and you have a
17 community that cares about and respects you. You have a strong
18 community standing behind you and it will be imperative that
19 you lean on the support going forward. But I have to note that
20 such strong ties to your family, your friends and your faith
21 render your conduct all the more hard to understand and all the
22 more troubling.

23 You are clearly well educated and intelligent. You
24 have a bachelors degree and a masters degree in science from a
25 well-regarded New York university. You also have an extensive

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1 employment background. You've held various well-paying jobs.
2 You could have used these gifts in a positive way to help your
3 family.

4 Instead, you chose greed. In essence, as I've already
5 noted, your conduct doesn't appear to have been driven by a
6 failed support system, by dire poverty or a lack of education.

7 Despite all of the opportunities that life provided to
8 you and your strong network of support, you chose to use your
9 education and intelligence to engage in serious criminal
10 conduct and the scale of the fraud that you perpetrated is
11 enormous resulting in a loss to the government of more than
12 \$13 million and untold potential harm to patients struggling
13 with HIV.

14 I must consider, and I have considered, the need for
15 both specific and general deterrence.

16 Now, I acknowledge that you have no criminal history
17 and no prior interaction with the criminal justice system. I
18 note too that you were the first of the named defendants in
19 this case to accept responsibility and to plead guilty. I
20 credit too your charitable endeavors and your commendable
21 efforts to care for your family including your nieces and your
22 nephews. I note too your efforts to carry on the
23 not-for-profit that, as I understand it, was begun by your
24 brother.

25 But having said all that and those are all mitigating

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1 considerations, there is still a serious need for general
2 deterrence in these circumstances. Congress and our federal
3 courts have explicitly recognized that this sort of collective
4 criminal activity in which you engaged, a conspiracy, poses a
5 greater threat to the public safety and welfare than individual
6 conduct, and, therefore, a substantial sentence is needed to
7 demonstrate that when these types of sophisticated criminal
8 conspiracies are detected and disrupted, the consequences will
9 be severe. The sentence must also send a message that black
10 market drugs pose a great threat to the citizens of our country
11 and those who partake in their purchase and resale will be held
12 accountable.

13 I also consider the need to protect the public. As
14 I've mentioned repeatedly, you were responsible for
15 distributing large quantities of potentially dangerous black
16 market drugs to vulnerable HIV patients, and as such, the need
17 to protect the public and promote respect for the law does
18 favor a long term of imprisonment.

19 I consider also the need to provide you with needed
20 medical care or other correctional treatment in the most
21 effective manner. We've talked about your ongoing struggles
22 with mental health issues and substance abuse, and apparently
23 those have worsened since the onset of this case. These
24 circumstances counsel me that during a period of supervised
25 release you obtain appropriate medical care and mental health

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1 treatment, both during a period of supervised release and to
2 the extent it's obtainable during any period of incarceration.

3 Now your counsel urges that I give significant weight
4 to your commitment to your family and your ongoing care and the
5 impact that a term of imprisonment will have on your family.
6 But, as you acknowledge in your own submission, those are all
7 consequences that you brought on yourself, and, frankly, every
8 defendant who stands before me has people who care about him or
9 her who are impacted by the consequences of their wrongful
10 conduct. So while I take it into account, it does not
11 ameliorate the other considerations.

12 Now, I want to say finally that I am mindful of the
13 need to avoid unwarranted sentencing disparities. So I do
14 weigh heavily your role as a leader and an organizer, which
15 make you particularly culpable here. You stipulated, as I
16 said, to causing over \$13 million in loss to a government
17 healthcare program and to orchestrating a scheme to traffic
18 drugs to innocent victims, black market drugs. And against
19 that though, I give weight, as I said earlier, to the fact that
20 you were one of the first to accept responsibility and enter a
21 plea.

22 I have also taken into account the statistics from the
23 sentencing commission that are contained in the PSR with regard
24 to the average sentence and a median sentence for defendants
25 whose primary sentencing guideline is the same as yours,

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1 Section 2B1.1, and who have the same offense level of 34 and a
2 criminal history category of I.

3 All of these considerations lead me to an intent to
4 sentence you to a sentence of 108 months of imprisonment to be
5 followed by a three-year term of supervised release, during
6 which the standard mandatory and special conditions of
7 supervised release that we have discussed would be imposed. I
8 find that such a sentence is sufficient but not greater than
9 necessary to serve the goals of sentencing as set forth in
10 Section 3553(a).

11 In addition, there is a \$100 per count mandatory
12 special assessment that is payable immediately. Based on the
13 financial information that you've provided, I do find that you
14 don't have the ability to pay a fine. Section 5E1.2 dictates
15 that the Court shall impose a fine except where it is
16 established that you are unable to pay. And as I say, based on
17 the financial information provided and what's in the PSR, I
18 find that you do not have an ability to pay and I don't intend
19 to impose a fine.

20 I will impose restitution in the amount of
21 \$13,270,379.50. I will enter the consent order of restitution
22 that the parties will be resubmitting to me later on today.

23 I would ask you, when you revise it, please, also, in
24 paragraph 2 on page 2, the third full paragraph where you say,
25 any unpaid amount remaining upon release from prison will be

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1 paid in installments, it should say on what period, monthly,
2 are you talking? Monthly installments? Of at least 15 percent
3 of the gross income payable on the 1st? The 15th? What day
4 of each month? All right. Include that revision. I will
5 enter that order of restitution.

6 The preliminary order of forfeiture that I signed on
7 December 11, 2023, that is on the docket at ECF No. 156 will be
8 incorporated into the judgment in this case, and that does call
9 for forfeiture in the amount of \$4,401,495 and the forfeiture
10 of specific property, namely the cash that was found in the
11 amount of \$318,393.

12 So let me pause and ask each side --

13 And, Mr. Eskew, if you wish time to confer, you may do
14 that --

15 But I will ask either side, starting with the
16 government, is there any legal reason sentence may not be
17 imposed as I've outlined?

18 MR. COYLE: No, your Honor.

19 THE COURT: All right. Mr. Eskew?

20 MR. ESKEW: No, your Honor.

21 THE COURT: All right. Mr. Aminov, would you please
22 stand.

23 Sir, it is the judgment of the Court that you be
24 remanded to the custody of the Bureau of Prisons to serve a
25 term of incarceration of 108 months.

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1 I do find that Mr. Aminov is an appropriate candidate
2 for voluntary surrender and I will order that you surrender to
3 the facility designated by the Bureau of Prisons on
4 August 9th of this year.

5 Once you're released from prison, you'll serve a term
6 of supervised release for a period of three years, during which
7 the standard mandatory and special conditions of supervised
8 release set forth in the PSR and that we have discussed will be
9 imposed.

10 There is a \$100 mandatory special assessment payable
11 immediately.

12 You must pay restitution in the amount outlined and
13 the preliminary order of forfeiture that I have previously
14 entered will become final and is -- will be incorporated in the
15 judgment that will be entered on the docket.

16 You may be seated, sir.

17 All right. Mr. Eskew, you mentioned before a request
18 that Mr. Aminov be evaluated for eligibility for RDAP?

19 MR. COYLE: Yes, Judge. And I'd also ask for the
20 Court's recommendation to FCI Otisville based on their ability
21 to particularly care for Jewish prisoners, and they have a
22 program there, and --

23 THE COURT: They have a specialized program?

24 MR. ESKEW: I believe that Otisville has facilities
25 for orthodox and observant Jewish individuals. And we would

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1 ask that the Court recommend that.

2 THE COURT: Okay. Look, I will tell you that I am
3 instructed by Bureau of Prisons, or I'm reminded or
4 reprimanded, that is not up to me what facility a defendant
5 goes to. That's entirely -- from today on, it's entirely
6 within the province of the Bureau of Prisons. I will make a
7 strong recommendation. They asked me to just recommend
8 geographic areas. So I assume Mr. Aminov lives in New York,
9 right?

10 MR. ESKEW: Yes, Judge.

11 THE COURT: I assume you want as close as possible to
12 New York City with a strong recommendation for a facility that
13 has programs that can accommodate --

14 Is Mr. Aminov orthodox Jewish?

15 MR. ESKEW: He is observant. He is observant.

16 THE COURT: Okay. And also that he be evaluated for
17 the RDAP program. I don't know if Otisville has that. So the
18 Bureau of Prisons needs to weigh all of these considerations.

19 MR. ESKEW: Thank you, Judge. That's all we're
20 asking.

21 THE COURT: All right. I will include that in the
22 judgment.

23 Are there any other requests from the defense?

24 MR. ESKEW: No, Judge. Thank you.

25 THE COURT: All right. Mr. Aminov, to the extent you

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1 haven't waived it in the plea agreement that you entered into,
2 I need to advise you that you do have the right to appeal from
3 your conviction and from your sentence. If you're unable to
4 could pay the costs of an appeal, you may apply for leave to
5 appeal in forma pauperis.

6 Any notice of appeal needs to be filed within 14 days
7 of the entry of the judgment of conviction. I try very hard to
8 get that entered promptly. Given the hour, it may not go in
9 before the end of the day today, but it will be entered
10 tomorrow in all likelihood and that would sort start the clock
11 running on the time for any appeal, should you wish to take
12 one.

13 Do you understand, sir?

14 THE DEFENDANT: Yes.

15 THE COURT: All right. Is there anything from the
16 government by way of a motion?

17 MR. COYLE: Yes, your Honor. The government moves to
18 dismiss all open counts on the S1 superseding indictment
19 against Mr. Aminov.

20 THE COURT: All right. Was he named in the original?

21 MR. COYLE: He was, your Honor. The original
22 indictment and the S1 superseding indictment, he was both named
23 in. The government hereby moves to dismiss all open counts
24 against him in those two charging instruments.

25 THE COURT: All right. All open counts against

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1 Mr. Aminov other than the one on which he has been convicted
2 and sentenced will be dismissed.

3 So, Mr. Aminov, before we adjourn, I just want to say
4 to you, sir, obviously, you have an enormous community of
5 people who care about you. Hopefully, you'll be designated to
6 a facility close enough for them all to remain in touch with
7 you. Rely on these people. You're going to need their help
8 and support, but I'd also encourage you in the strongest terms
9 I can to take advantage of the counseling, both for your
10 addiction problems and your mental health problems, and spend
11 some time thinking seriously.

12 You told me that you see this as a turning point. You
13 told me that you're committed to live a law-abiding life.
14 Think about how you are going to turn your life back on the
15 proper path and how you are going to contribute to society
16 after you serve your term of imprisonment.

17 I wish you all the best, sir.

18 THE DEFENDANT: Thank you.

19 THE COURT: Is there anything from you, Mr. Eskew?

20 MR. ESKEW: No, Judge.

21 THE COURT: All right. Nothing else from the
22 government?

23 MR. COYLE: No, thank you, your Honor.

24 THE COURT: Please stay seated.

25 I thank the court reporter very much and I thank the

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1 marshal too for coming up.

2 We'll stand adjourned. Thank you.

3 I thank our interpreter too. Thank you.

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